

Defined Contribution Risk Adjuster Board Minutes

State Office Building Room 3112

Approved

September 23, 2014

Attendees: Dave Jackson, *FirstWest Benefit Solutions*; Jim Murray, *SelectHealth*; Tomasz Serbinowski, *UID*; Paul Anderton, *PEHP*; Nathan Johns, *Arches*; Perri Babalis, *Utah Attorney General*; Patty Conner, *OCHS*; Jill Goodmansen, *OCHS*; Alexis Miller, *OCHS*; Nancy Askerlund, *UID*; Russ Johnston, *FirstWest Benefit Solutions*; Lincoln Nehring, *Voices of Utah Children*

Kim Miller, *UHC* (via telephone); Ryan Smart, *EMI Health* (via telephone);

- I. Meeting called to order at 1:04 p.m.
- II. Minutes from August 26th are approved with changes noted
- III. Patty Conner from OCHS gave an update regarding Avenue H –
 - a. September Statistics
 - i. 484 Total Groups
 - ii. 4,126 Total Employees
 - iii. 7,119 Total Dependents
 - iv. 11,245 Total Covered Lives
 - v. This was the first month enrollment numbers have gone down even though the total number of groups went up. The size of the groups lost was greater than the number of employees in the groups joining Avenue H. Some groups lost went to the individual market, some went out of business and one went bankrupt.
 - b. Transitional Relief
 - i. November groups are done and OCHS has been notified which are moving forward. 17 total with 2 groups termed, 10 transitional relief, 5 who went with the ACA option. December groups have been sent out, OCHS wanted to give out information as soon as possible. 129 groups for December, have until October 15th to let Avenue H know which plan they are going with. Small issue with SelectHealth NetCare plans not available after choice was made.
 - c. Renewal Process
 - i. Change to auto renewal process come January 2015. Notifications sent automatically to the group contact. Currently renewal process is all manual
 - d. Market Research
 - i. Finalized and selected Cicero. May not be able to tie results into marketing campaign. 9 focus groups, 6 employers – participating groups that tried but did not go through & groups with us but since

terminated. 3 other focus groups – brokers that do a lot of business and another group that are credentialed but don't have business on Avenue H. The last group is for brokers that don't do anything with Avenue H. Phone survey to about 500 businesses with results coming in October and November. Patty sent out the direct mail information that was sent out. TV ads start on October 6th

- e. Broker Training
 - i. Just opened up courses on 29th in Logan. Will go all the way down to St. George. Sent out meeting notices to sign up on Avenueh.com. Will be doing training sessions 2-3 times a week.
- f. Adjustments and distribution done in September bill.

IV. Paul Anderton

- a. Risk Adjustment & Premium Allocation subcommittee report
 - i. No Updates

V. Kim Miller with United HealthCare

- a. Underwriting Subcommittee Report
 - i. Federal shop requirements don't ask for wage and tax form. Pulled all carriers and processes today and why they requires state wage and tax forms or other tax forms to verify group eligibility and enrollment. Confirmed carriers will continue with standard market practice. Patty stated one of the most challenging steps in the process. Patty explained the wage and tax form process.
 - ii. Early transition group process – All carriers are required to file transitional relief rates. Risk evaluation process is similar in the past. Presenting renewals similar to what has been done in the past. Don't expect to be un-competitive, as they will be continuing prior practice. Blend of all experience.

VI. Jim Murray with SelectHealth

- a. Legal Subcommittee
 - i. Need to get together with Nathan Johns and transition. Jim stated the Plan of Operations is almost complete and should have it out to the group by next week.

VII. Nancy Askerlund with Insurance Department

- a. Number of plans on Avenue H for 2015 – Still have 3 medical carriers – 70 plans in 2014 and 75 plans for 2015. 45 dental plans in 2014 and 53 recommended in 2015. Patty is deciding which dental carriers will be

certified. Rates are subject to change up until the first week in November. Took comparison of plans from last year to this year and about 2 and a half to 3 % increase overall. Urban areas are around 3% and rural areas are around 4-5%. Some plans went down up to 7% and up as high as 8 or 9%. One carrier came down in rates mid-year 2014 and 2015. Most plans from last year will be available again in 2015. SelectHealth has similar plans but now have dental imbedded in it and is no longer offered as a stand-alone benefit. 2 new dental carriers in market, still in evaluation. Would like a fair number of carriers and choice that is offered similar to medical benefits. Small group rates are on average a little higher than individual rates. Benefits in the small group are also a little richer.

VIII. Other Items

a. Healthy Utah Changes

- i. Direction is it will be part of the individual risk pool. Will be using Avenue H technology. Carriers in FFM will be the same carriers. Until individual is done by the state, the risk adjustment will be done by the FFM. If passed during a legislative or special session, would most likely be effective 1/1/16. Avenue H is also planning on doing the premium allocation. The state risk adjustment would need to be a recommendation from the task force

IX. Next Meeting will be October 28, 2014 at 1:00 pm

X. Meeting adjourned at 2:26 p.m.